MORIHARA LAU & FONG LLP

A LIMITED LIABILITY LAW PARTNERSHIP

August 24, 2006

The Honorable Chairman and Members of the Hawaii Public Utilities Commission 465 South King Street Kekuanaoa Building, Room 103 Honolulu, HI 96813 Attention: Catherine P. Awakuni, Esg.

PUBLIC UTILITIES COMMISSION

RE: Docket No. 05-0069: Application for Approval and/or Modification of Demand-Side ("DSM") and Load Management Programs and Recovery of Program Costs and DSM Utility Incentives – Appearance of Counsel

Dear Commissioners and Staff:

This letter provides notice that Kris Nakagawa, Esq. of Morihara Lau & Fong LLP will be appearing in the subject proceeding, and in particular the upcoming panel hearings scheduled for the week of August 28, 2006, on behalf of Kauai Island Utility Cooperative. As you are aware, Mr. Nakagawa was formerly Chief Legal Counsel of the Hawaii Public Utilities Commission until August 26, 2005. As such, his one year prohibition from appearing before the PUC as required by the State Ethics Commission, pursuant to Hawaii Revised Statutes Chapter 84, will expire prior to the commencement of said panel hearings (i.e., August 28, 2006).

In addition, we have discussed this matter with Charles Hite, Esq. of the Office of Disciplinary Counsel, and we have received a verbal, non-binding opinion from him that Mr. Nakagawa's participation in the above proceeding is not prohibited under the Hawaii Rules of Professional Conduct under the circumstances and that no consent for such participation is required from neither the Hawaii Public Utilities Commission nor any other party or participant to the proceeding. In any event, we have discussed this matter with the other parties and participant that will be involved in the upcoming panel hearings, and they have all indicated that they have no objection to Mr. Nakagawa's appearance, participation and representation of Kauai Island Utility Cooperative in the subject proceeding. Finally, notwithstanding the above, Mr. Nakagawa is aware that he will be still subject to the applicable confidentiality rules.

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Please call me if you should have any questions or would like to discuss. Thank you for your assistance and consideration.

Very truly yours,

Kent D. Morihara Attorney for KIUC

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cc: Division of Consumer Advocacy

Mr. William A. Bonnet Mr. Dean Matsuura Mr. Edward Reinhardt

Mr. Warren Lee

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Mr. H.A. "Dutch" Achenbach

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Mr. Henry Q. Curtis

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Mr. Kal Kobayashi

Lani D. H. Nakazawa, Esq.

KIUC'HECO ENERGY EFFICIENCY/FILINGS/LETTER TO PUC RE APPEARANCE OF COUNSEL (8-24-06)